

**CALIFORNIA STUDENT AID COMMISSION  
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**TITLE 5, DIVISION 4, CHAPTER 1, CALIFORNIA CODE OF REGULATIONS  
AMEND SECTIONS 30910, 30911, 30912, 30913, 30914 and 30916  
REGARDING STATE NURSING ASSUMPTION PROGRAM OF LOANS FOR EDUCATION  
FOR NURSING FACULTY**

**INITIAL STATEMENT OF REASONS**

**INTRODUCTION**

In 2007 the Legislature passed and the Governor signed SB 139, a bill that amended sections 70101 and 70106 of the Education Code. The changes in law enacted by SB 139 became effective on January 1, 2008. These amended statutes allow persons who have earned a baccalaureate or graduate level degree in nursing or a field related to nursing to enter into an agreement for loan assumption. Prior to these amendments the statute required that applicants be enrolled or admitted on at least a half-time basis.

The California Student Aid Commission (Commission) believes that SB 139 was intended to provide clean up language for applicants who may have been enrolled within the award year they applied but may have completed their educational requirements at the time of application. The Commission further believes that the requirement for a participant to obtain employment within twelve months of receiving a degree, pursuant to Education Code Section (c) (6) supports the requirement that the applicant be enrolled the award year that they apply for the program. Persons who graduate from college several years ago would have had to find employment within twelve months of receiving their degree. The Commission does not believe this program is designed to be a retention tool since there is a growing need for new faculty members. In addition, the program requires participants to meet all of the eligibility criteria included in section 70101 of the Education Code prior to selection into the program. Subsection (a) (3) of 70101 requires that the participant be making satisfactory academic progress while subsection (c) (3) of 70101 requires that a participant be enrolled at least half-time. Therefore, the Commission will require applicants to be enrolled at least half time and maintain satisfactory academic progress during the academic year they apply to satisfy both requirements. The Commission proposes to amend Title 5, Division 4, Chapter 1, of the California Code of Regulations, Sections 30910, 30911, 30912, 30913, and 30914 to implement provisions added January 1, 2008.

Pursuant to the authority provided in Education Code Section, 70106 the Commission adopted California Code of Regulations Title VI, Division 4, Chapter 1 section 30910 et seq to implement, interpret, and make specific the requirements established in Education Code sections 70100-70110. The content of the SNAPLE NF application, nomination, and loan assumption agreement is included in sections 30911, 30912, 30914 of the California Code of Regulations. The Commission has identified several areas that require additional information and certifications from applicants and nominating institutions as well as a necessity to establish an application deadline for the program. The Commission proposes to

amend sections 30911, 30912, 30913, 30914, and 30916 to specify additional information the Commission will requests from applicants on the application, modify the content of the loan assumption agreements, amend the certifications required by eligible institutions, and establish a June 30<sup>th</sup> deadline for application submission.

#### SPECIFIC PURPOSE OF EACH SECTION – GOVERNMENT CODE 11346.2(b) (1)

The specific purpose of each proposed amendment, and the rationale for the determination that each amendment is reasonably necessary to carry out the purpose for which it is proposed, is as follows:

**Proposed Section 30910(r)** clarifies who may submit an application for the SNAPLE NF program. This is necessary because SB 139 expands participation to individuals who have completed their baccalaureate level or graduate level degree program at the time of application. This amendment is proposed for the purpose of clarity.

**Proposed Amendments to section 30911(a)** includes an application deadline and clarifies that eligible applicants should apply. This is necessary to inform applicants that applications must be turned in by the deadline date to be considered for an award. This will allow the Commission more time to process applications, follow up on any missing information, and select the most qualified applicants in the event there are more applicants than can be selected for participation. Currently, there is no established deadline so the Commission continues to accept applications until the date awards are made.

**Proposed Section 30911(a) (8)** requires applicants to provide the name of the regionally accredited college or university where they are teaching nursing and the date the eligible applicants commenced employment, if applicable. This is necessary because an applicant may be employed at a regionally accredited college at the time of application. The Commission will use this information along with the applicants' program completion dates to verify that the participant has provided the teaching service within twelve months of receiving their degree as required by Education Code Section 70101(c) (6) and to project when applicants may be eligible for program benefits.

**Proposed Section 30911(a) (9)** requires applicants to provide the date the applicant received or is expected to receive his or her undergraduate or graduate degree in nursing or a field related to nursing. This is necessary since the applicant is required to teach nursing within twelve months of receiving his or her degree. There may be instances where an applicants is working at a regionally accredited college at the time of application but has not obtained the applicable degree. In these instances, the applicants teaching service will not count towards assumption benefits until they receive the applicable degree. This information will allow the Commission to track the length of time the applicant has to find employment as well as predict when he or she may be eligible for program benefits.

**Proposed Amendments to Section 30911(c)(2)** clarifies that an applicant may have completed their baccalaureate or graduate level degree pursuant to Education Code 70101(a) (2) provided that the applicant was enrolled within the award year that he or she

applies for the program to satisfy Education Code 70101 (c) 3 which states that applicant will be enrolled on least a half-time basis.

**Proposed Amendments to Section 30911(c) (3)** clarifies that an applicant may be admitted into a program leading to a baccalaureate degree pursuant to Education Code 70101(c).

**Proposed Amendments to Section 30911(d) (1)** clarifies that the participant must maintain satisfactory academic progress through the completion of his or her baccalaureate or graduate degree program. Satisfactory academic progress is only measured while a participant is actively enrolled. A participant could meet this requirement while they were enrolled within the award year that they apply for the program but a graduate could not maintain this requirement.

**Proposed Amendments to Section 30911 (e)** requires applicants to report the type of loan they have obtained. This is necessary for the Commission to determine if the applicant has received or been approved to receive an eligible loan as specified in Education Code section 70101(c) (5).

**Proposed Amendments to Section 30912 (a)** clarifies that institutions should submit applications from eligible applicants by the June 30th deadline to ensure that it can select the most qualified applicants in the event there are more applicants than can be selected for participation. This is necessary to ensure that the Commission only receives information from qualified applicants.

**Proposed Amendments to Section 30912 (a) (1)** requires the applicant's name and Social Security Number to be included on the nomination form. This is necessary for the Commission to identify each applicant's nomination separately from any other applicant's nomination. This will help the Commission to match application and nomination forms that are sent in separately.

**Proposed Amendments to Section 30912(a) (2) (i)** requires the nominating institution to certify that the applicant is either enrolled in, admitted to, or has successfully completed a baccalaureate or graduate degree in nursing or a field related to nursing. Applicants who have graduated must have been enrolled within the award year that they applied for the program. This is necessary because SB 139 allows an applicant who has completed their educational requirements to participate in the program.

**Proposed Amendments to Section 30912(a) (2) (iii)** clarifies that the applicant must be making satisfactory academic progress or must have made satisfactory academic progress at the time of graduation. This is necessary since SB 139 allows participation from applicants who have already obtained the required degree.

**Proposed Amendments to Section 30912(a) (2) (vi)** clarifies that the nominating institutions must certify the date the applicant has or is expected to receive his undergraduate degree. This is necessary since SB 139 allows participant from applicants who have already obtained the required degree.

**Proposed Amendments to Section 30912(a) (2) (vii)** requires nominating institution to list the type of degree the applicant is pursuing or has completed. This is necessary so that the Commission can report to legislature the total number of loan assumption agreements offered by educational level pursuant to Education Code section 70108.

**Proposed Amendments to Section 30912(a) (2) (viii)** requires nominating institutions to list the applicant's field of study. This is necessary for the Commission to verify that the applicant is pursuing a degree in nursing or a field related to nursing as specified in Section 30911(c)

**Proposed Amendments to Section 30913(a)** specifies that the Commission will select participants from eligible applicants nominated by the June 30th deadline. This is necessary since only eligible applicants will be considered for program participation. These amendments also assure that the Commission can select the most qualified applicants in the event there are more applicants than can be selected for participation. If a maximum authorized allocation established by Education Code section 70109 is not exhausted after the award process, CSAC may continue to accept nominations after the deadline and select program participants based on the date the nominations are received by CSAC. Selection from among nominated students may continue even after the completion of the initial award process until the maximum authorized allocation is exhausted.

**Proposed Amendments to 30913(c)** specifies the criteria the Commission will apply to applicants who are enrolled in or who have completed graduate programs from among nominations submitted by participating institutions. This is necessary because SB 139 allows applicants who have completed their education requirement to participate in the SNAPLE NF program.

**Proposed Amendment to Section 30913(c) (1)** specifies the criteria CSAC will apply to applicants that have completed graduate degree programs within the academic year that he or she applies for the program. This is necessary to ensure that all nominations are considered under identical standards. CSAC will give greater weight to applicants who have completed their graduate degree and therefore closer to obtaining employment at regionally accredited California College or university.

**Proposed Section 30913(c) (2) (ii)** specifies the criteria the Commission will apply to applicants who are enrolled in a graduate degree program who do not have a grade point average established at the time of application. This is necessary to ensure that all nominations are considered under identical standards and to clarify the criteria authorized by Education Code section 70105(b). The Commission will give greater weight to applicants who have demonstrated academic ability based on their grade point average.

**Proposed Amendments to Section 30913(d)** specifies the criteria the Commission will apply to select participants who are enrolled in or who have completed undergraduate programs from among nominations submitted by participating institutions. This is necessary since SB 139 allows participation from applicants who have completed their education requirements.

**Proposed Amendment to Section 30913(d) (1)** specifies the criteria CSAC will apply to applicants that have completed an undergraduate degree program within the academic year that he or she applies for the program. This is necessary to ensure that all nominations are considered under identical standards. CSAC will give greater weight to applicants who have completed their undergraduate degree and therefore closer to obtaining employment at regionally accredited California College or university.

**Proposed Amendments to Section 30914(a)** clarifies that only eligible applicant will be provided a loan assumption agreement. This is necessary to specify that a person who does not meet the definition of an eligible applicant is not eligible to apply.

**Proposed Amendments to Section 30914(b) (1)** clarifies the obligations, consistent with Education Code sections 70101 and 70103, outlined in the loan assumption agreements for applicants who are enrolled in or admitted into an approved program. This is necessary since the obligations of participant enrolled or admitted into an approved program will be slightly different from a participant who has already completed their educational requirements.

**Proposed Amendments to Section 30914(b) (1) (vii)** requires participants to notify the Commission of the starting date of employment within two weeks of obtaining employment. This is necessary because participants may find employment year round. This information will be used to verify they obtained employment within twelve months of receiving their degree and to project future funding years.

**Proposed Amendments to Section 30914(b) (2)** specifies what would be included in loan assumption agreement for participants who have completed an approved program. This is necessary to assure participants are informed of their obligations, consistent with Education Code sections 70101 and 70103. The obligations of participants enrolled or admitted into approved programs will be slightly different from participants who have already completed their educational requirements.

**Proposed Section 30914(e) (1)** requires the participant's certification that they understand the consequences of failing to comply with the loan assumption agreement as specified in section 30916. Participants need to be aware of the consequences that will be imposed; therefore, the consequences should be included on the loan assumption agreement.

**Proposed Section 30914(e) (2)** requires the participant's to certify that he or she understands the requirements to redeem his or her loan assumption agreement. Participants should be informed of the requirements to redeem his or her loan assumption agreement; therefore, it is necessary to include these requirements on the loan assumption agreement.

**Proposed Section 30914(e) (3)** requires a participant's certification that he or she understands he or she must respond to the Commission within ten business days of receipt of the request. This requirement is essential for the Commission to receive the information in a timely manner in order to make funding projections, process payments, and determine

continued program eligibility. Therefore, it is necessary to include this requirement on the loan assumption agreement.

**Proposed Section 30914(e) (4)** requires a participant's certification that he or she understands he or she must report any change in status that may affect his or her SNAPLE NF eligibility. This requirement is critical for the Commission to receive the most up to date information that may affect a participant's eligibility for payment; therefore, this requirement should be included on the loan assumption agreement.

**Proposed Section 30914(e) (5)** requires a participant's certification that he or she understands that he or she will be required to reimburse the Commission if it is determined that a loan assumption payment was authorized based on misleading or incorrect information. This requirement will allow the Commission to collect funds made on behalf of individuals not eligible for program benefits and will encourage the reporting of accurate information. Therefore, this requirement should be included on the loan assumption agreement.

**Proposed section 30914(e) (6)** requires a participant's certification that he or she understands that he or she must comply with all laws and regulations applicable to the program. Participants should be aware of all laws and regulations applicable to the program; therefore, the loan assumption agreement should contain language that explains participants must comply with all laws and regulations of the program.

**Proposed Amendments to Section 30916(a)** clarifies that a loan assumption agreement will be terminated if a participant fails to maintain half-time enrollment and satisfactory academic progress as pursuant to Education Code Section 70101 (a) (3) and 70101 (c) (3). This information clarifies the consequences of a program participant's failure to satisfy the obligations included in the loan assumption agreement. Therefore, this requirement should be included on the loan assumption agreement.